

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

ELECTIONS, UNIT: S-2/B

(herein "Subject Drilling Unit")

DOCKET NO. VGOB-95-08/15-0515

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.c of the Virginia Gas and Oil Board Regulations, VR 480-05-22.2 by supplementing the Order previously issued by the Board for the subject Docket on September 14, 1995 and recorded at Deed Book 440, Page 360 in the Office of the Clerk of the Circuit Court, Buchanan County, Virginia on September 21, 1995, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a) The Board Order directed Consol Inc. (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b) The Designated Operator filed its affidavit of mailing dated January 3, 1996 disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c) The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated January 4, 1996 in accordance with 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more

Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit A.

(e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Premier Bankshares Corporation, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 24605, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.

3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Premier Bankshares, Trust Department, 29 College Drive, P. O. Box 1199, Bluefield, Virginia 24605, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 8<sup>th</sup> day of February 1996, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

STATE OF VIRGINIA)  
COUNTY OF WISE )

Acknowledged on this 8th day of February, 1996, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Susan G. Garrett  
Susan G. Garrett  
Notary Public

My commission expires 7/31/98

DONE AND PERFORMED this 8th day of February 1996 by Order of this Board.

B. J. Fulmer  
Byron Thomas Fulmer  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA  
COUNTY OF WASHINGTON

Acknowledged on this 8th day of February, 1996, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

Diane J. Davis  
Diane J. Davis  
Notary Public

My commission expires 9/30/97

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Consol, Inc. for Forced Pooling of Interests in Unit Number S-2/B, VGOB Docket No. 95-0815-0515 in the Prater District of Buchanan County, Virginia

AFFIDAVIT OF CONSOL, INC. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc., the Designated Operator, at its office located at P.O. Box 947 Bluefield, VA 24605, that your Affiant is the Designated Operator's Permit Specialist, and is authorized for give this Affidavit in its behalf;

2. That the Order entered on September 14, 1995, by the Virginia Gas and Oil Board regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;

3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, your Affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;

4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on September 21, 1995.

5. That the Designated Operator, Consol, Inc., has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.

6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia;

SEE ATTACHMENTS.

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

SEE ATTACHMENTS.

8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.;

Dated at Bluefield, Virginia, this 4<sup>th</sup> day of January, 1996.

Leslie K. Arrington  
Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Consol, Inc., a corporation, on behalf of the corporation, this 4<sup>th</sup> day of January, 1996.

My commission expires: 1-31-1997

Robert J. Loney  
Notary

## UNIT S-2

Docket No. VGOB-95/08/15-0515

Exhibit B-2

## RESPONDENTS TO BE DISMISSED

I. OIL & GAS FEE OWNERSHIPTRACT #2 - 39.701 acres

	<u>Reason for Dismissal</u>	<u>Net Acres in Unit</u>	<u>Interest in Unit</u>	<u>Division of Interest in 3-West = 9.678%</u>	<u>Division of Interest in 4-West = 8.018%</u>
(1) Rosa Yates Heirs		3.9701 acres (1/10 of 39.701 acres)	4.9626 %	0.4803%	0.3979%
(e) Alta Mae Yates Lindsay Rt. 2 Box 520 Vansant, VA 24656	Leased	0.3970 acres	0.4963 %	0.0480%	0.0398%
(f) Ruth & Clyde Harvey Yates 903 Logan Salem, VA 24153	Leased	0.3970 acres	0.4963 %	0.0480%	0.0398%
(g) Leah Rachel & Ralph C. Keene Box 671 Vansant, VA 24656	Leased	0.3970 acres	0.4963 %	0.0480%	0.0398%
(h) Estelle & Truett Orrick 4361 Netherland Street Denver, CO 80249-1073	Leased	0.3970 acres	0.4963 %	0.0480%	0.0398%
(i) Gaynell & Virgil Medcalf Box 326 Thomaston, GA 30286	Leased	0.3970 acres	0.4963 %	0.0480%	0.0398%
(j) Mary & M.B. Baldwin 3 Navajo Jackson, TN 38305	Leased	0.3970 acres	0.4963 %	0.0480%	0.0398%
(k) Frank & Peggy Yates Rt. 2 Box 59 Vansant, VA 24656	Leased	0.3970 acres	0.4963 %	0.0480%	0.0398%

UNIT S-2  
Docket No. VGOB-95-0815-0515  
Exhibit B-3  
UNLEASED OWNERS

BOOK

445 PAGE 650

I. OIL & GAS FEE OWNERSHIP

TRACT #2 - 39.701 acres

	Net Acres in Unit	Interest in Unit	Division of Interest in <u>3-West = 9.678%</u>	Division of Interest in <u>4-West = 8.018%</u>
(1) Rosa Yates Heirs	3.9701 acres (1/10 of 39.701 acres)	4.9626%	0.4803%	0.3979%
(a) Naomi & Bill Baldwin 205 W. Carter Road Lakewood, FL 33801	0.3970 acres	0.4963%	0.0480%	0.0398%
(b) Lindell & Lynn Yates 2236 King's Richard Court Winter Park, FL 32789	0.3970 acres	0.4963%	0.0480%	0.0398%
(c) Rose Ann & Robert Krieger 40 Shelba Avenue Trenton, NJ 37663	0.1985 acres	0.2481%	0.0240%	0.0199%
(d) Edwin & Doris Neeley 420 Blue haven Drive Kingsport, TN 27663	0.1985 acres	0.2481%	0.0240%	0.0199%

UNIT S-2  
Docket No. VGOB-95-0815-0515  
Exhibit E  
CONFLICTING OWNERS/CLAIMANTS

BOOK 445 PAGE 651

**TRACT #2 - 39.701 acres**

**COAL FEE OWNERSHIP**

		Net Acres in Unit	Interest in Unit	Division of Interest in 3-West = 9.678%	Division of Interest in 4-West = 8.018%
(1)	Levisa Coal Company, et al	3.9701 acres (1/10 of 39.701 acres)	4.9627 %	0.4803%	0.3979%
(a)	Nations Bank Trustee for Humphrey Curtis Estate Box 26903 Richmond, VA 23261	0.33084 acres	0.413558 %	0.0400%	0.0332%
(b)	May S. Harris P.O. Box 1496 Vista, VA 92083	0.33084 acres	0.413558 %	0.0400%	0.0332%
(c)	Edward W. Lindsay 21 Hillcrest Drive Ponca City, OK 74601	0.06617 acres	0.082712 %	0.0080%	0.0066%
(d)	Irene M. Harris	0.06617 acres	0.082712 %	0.0080%	0.0066%
(i)	Marguerite Whyte 1837 Avenida Segovia Oceanside, CA 92056	0.02206 acres	0.027571 %	0.0027%	0.0022%
(ii)	Patricia Ruemke 5627 S. 4th Street Arlington, VA 22204	0.02206 acres	0.027571 %	0.0027%	0.0022%
(iii)	George B. Harris, Jr. 188 The Embarcadero Suite 500 San Francisco, CA 94105	0.02206 acres	0.027571 %	0.0027%	0.0022%
(e)	James S. Thompson 3620 Edgewood Circle Cleveland, TN 37311	0.24813 acres	0.310169 %	0.0300%	0.0249%
(f)	Lois Bowie 1108 Glen Street Bristol, TN 37620	0.24813 acres	0.310169 %	0.0300%	0.0249%
(g)	Stephen Runals 520 Ridgemont Drive Fayetteville, GA 30214	0.24813 acres	0.310169 %	0.0300%	0.0249%
(h)	Robert & Carol Powers 2921 Dempster Street Knoxville, TN 37917-3215	0.24813 acres	0.310169 %	0.0300%	0.0249%
(i)	Buchanan Realty Limited Partnership P.O. Box 2005 Grundy, VA 24614	0.29776 acres	0.372203 %	0.0360%	0.0298%
(j)	George Belcher c/o Lois McClanahan P.O. Box 116 Grundy, VA 24614	0.29776 acres	0.372203 %	0.0360%	0.0298%



UNIT S-2  
Docket No. VGOB-95-0815-0515  
Exhibit E  
CONFLICTING OWNERS/CLAIMANTS

		Net Acres in Unit	Interest in Unit	Division of Interest in <u>3-West = 9.678%</u>	Division of Interest in <u>4-West = 8.018%</u>
(k)	Helen C. Johnson P.O. Box 604 Grundy, VA 24614	0.1985 acres	0.2481 %	0.0240%	0.0199%
(l)	Frederick H. Combs, II Trustee for Marion S. Combs P.O. Box 841 Tazewell, VA 24651	0.0496 acres	0.0620 %	0.0060%	0.0050%
(m)	Carol & John C. Irvin, III 4710 Hunterwood Circle Richmond, TX 77469	0.0496 acres	0.0620 %	0.0060%	0.0050%
(n)	Elene & Frederick H. Combs, II P.O. Box 841 Tazewell, VA 24651	0.0496 acres	0.0620 %	0.0060%	0.0050%
(o)	Martha E. Combs P.O. Box 1404 Abingdon, VA 24210	0.0496 acres	0.0620 %	0.0060%	0.0050%
(p)	John W. Pobst, Jr. Box 86 Revere, PA 18953	0.0662 acres	0.0827 %	0.0080%	0.0066%
(q)	Virginia Lee & Phillip Linwick 4324 South Bell Drive Veradale, WA 99037	0.0662 acres	0.0827 %	0.0080%	0.0066%
(r)	Carl Puckett Trustee of W. Kent Pobst Trust P.O. Box 790 Richlands, VA 24641	0.1323 acres	0.1654 %	0.0160%	0.0133%
(s)	Meredith E. Iqbal 2418 West Linden Street Nashville, TN 37212	0.1323 acres	0.1654 %	0.0160%	0.0133%
(t)	Levisa Coal Company P.O. Box 841 Tazewell, VA 24651	0.7940 acres	0.9925 %	0.0961%	0.0796%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>					
(1)	Rosa Yates Heirs	3.9701 acres (1/10 of 39.701 acres)	4.9627 %	0.4803%	0.3979%
(a)	Naomi & Bill Baldwin 205 W. Carter Road Lakewood, FL 33801	0.3970 acres	0.4963 %	0.0480%	0.0398%
(b)	Lindell & Lynn Yates 2236 King's Richard Court Winter Park, FL 32789	0.3970 acres	0.4963 %	0.0480%	0.0398%

UNIT S-2  
Docket No. VGOB-95-0815-0515  
Exhibit E  
CONFLICTING OWNERS/CLAIMANTS

		Net Acres in Unit	Interest in Unit	Division of Interest in 3-West = 9.678%	Division of Interest in 4-West = 8.018%
(c)	Rose Ann & Robert Krieger 40 Shelba Avenue Trenton, NJ 37663	0.1985 acres	0.2481 %	0.0240%	0.0199%
(d)	Edwin & Doris Neeley 420 Blue haven Drive Kingsport, TN 27663	0.1985 acres	0.2481 %	0.0240%	0.0199%
(e)	Alta Mae Yates Lindsay Box 250 Vansant, VA 24656	0.3970 acres	0.4963 %	0.0480%	0.0398%
(f)	Ruth & Clyde Harvey Yates 903 Logan Salem, VA 24153	0.3970 acres	0.4963 %	0.0480%	0.0398%
(g)	Leah Rachel & Ralph C. Keene Box 671 Vansant, VA 24656	0.3970 acres	0.4963 %	0.0480%	0.0398%
(h)	Estelle & Truett Orrick 4361 Netherland Street Denver, CO 80249-1073	0.3970 acres	0.4963 %	0.0480%	0.0398%
(i)	Gaynell & Virgil Medcalf Box 326 Thomaston, GA 30286	0.3970 acres	0.4963 %	0.0480%	0.0398%
(j)	Mary & M.B. Baldwin 3 Navajo Jackson, TN 38305	0.3970 acres	0.4963 %	0.0480%	0.0398%
(k)	Frank & Peggy Yates Rt. 2 Box 59 Vansant, VA 24656	0.3970 acres	0.4963 %	0.0480%	0.0398%

Page 3 of 3

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is together with the certificate of acknowledgment annexed, admitted to record this 22nd day of February, 1996.  
Deed Book No. 143 and Page No. 644.  
Returned this date to; J M M E  
Abington, Va

TESTE: James M. Bevins, Jr., Clerk  
TESTE: Deputy Clerk

# 360

CLERK'S OFFICE CIRCUIT COURT  
BUCHANAN COUNTY, VIRGINIA  
Filed and admitted to Record,  
this 26<sup>th</sup> day of Feb, 1906  
at 3:49 o'clock P. M.  
Recorded Deed Book      Page       
039 State Tax       
213 County Tax       
212 Transfer 19.00  
301 Recording       
038 State Tax       
220 Local Tax 1.00  
145 VSUF       
Total 20.00  
Teste James M. Bevins, Jr., Clerk  
By      D.C.

D M M E